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July 27, 1992

RECEIVED
JUL 27 1992
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ex Parte

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: RM 7872

Dear Ms. Searcy:

At a tutorial organized by Jonathan Levy of the Ofice of Plans and Policy, Mark Foster, Don Franco, Martin Elton, Martin Sperber and Bert Halprin met on July 21, 1992 with various representatives of the Common Carrier Bureau, the Office of Plans and Policy and the Commissioners' offices to make a presentation concerning the services that may become available if the Commission allocates spectrum in the 28 GHz band for local wireless broadband service as requested by Video/Phone in its attachment to comments on the Suite 12 Group petition for rulemaking. Enclosed is a set of the briefing materials presented at the meeting.

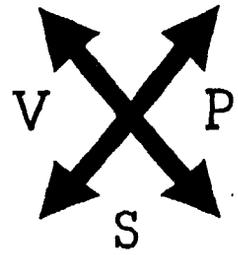
Sincerely,

Stephen L. Goodman
Counsel for Video/Phone
Systems, Inc.

cc: Mr. Jonathan Levy

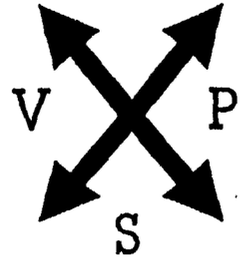
No. of Copies rec'd 0+1
List A B C D E

43

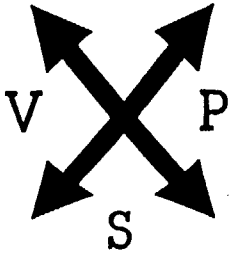


LWBS

Local Wireless Broadband Service

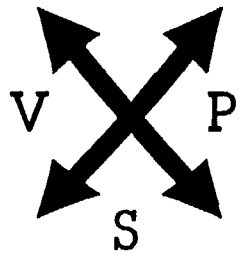


Video/Phone Systems, Inc.
1266 Main Street
Stamford, CT 06902
Telephone: 203-353-0203



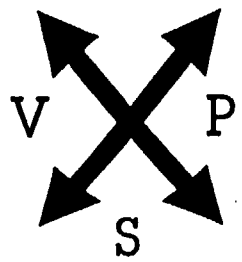
What is LWBS?

- The lowest cost method of distributing broadband networks within metro areas.
- A fixed, rather than mobile, cellular pipeline operating in the millimeter wave band.
- Capable of delivering full duplex services.
- Utilizes 1000 MHz which may be subdivided into video, voice and data circuits.



What is LWBS?

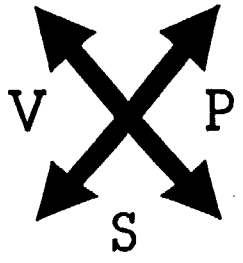
- Omnidirectional transmissions from central hubs can be received at an unlimited number of points within 3-6 miles.
- Small, inexpensive transceivers installed at customers' premises transmit return signals in same band using narrow beamwidth antennas.
- Transmissions may be analog or digital.
- Combines point-to-multipoint with multipoint-to-point transmissions via same paths.



LWBS Offers...

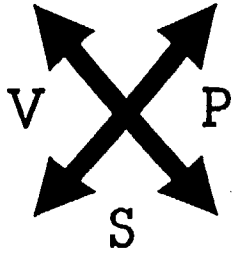
- Capacity
- Quality
- Duplex Capability
- Diversity of Services

...equivalent to fiber



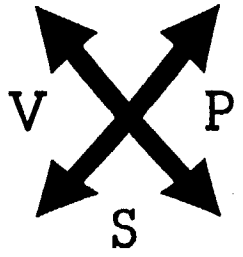
The Economics of LWBS

- Because it is wireless, LWBS is less capital-intensive than wireline technologies (an LWBS signal passes all potential customers within the cell the moment each node is activated).
- And, without a requirement to wire past each premise in advance, investment is limited to customers only.
- Thus, LWBS minimizes capital and risk.



The Economics of LWBS

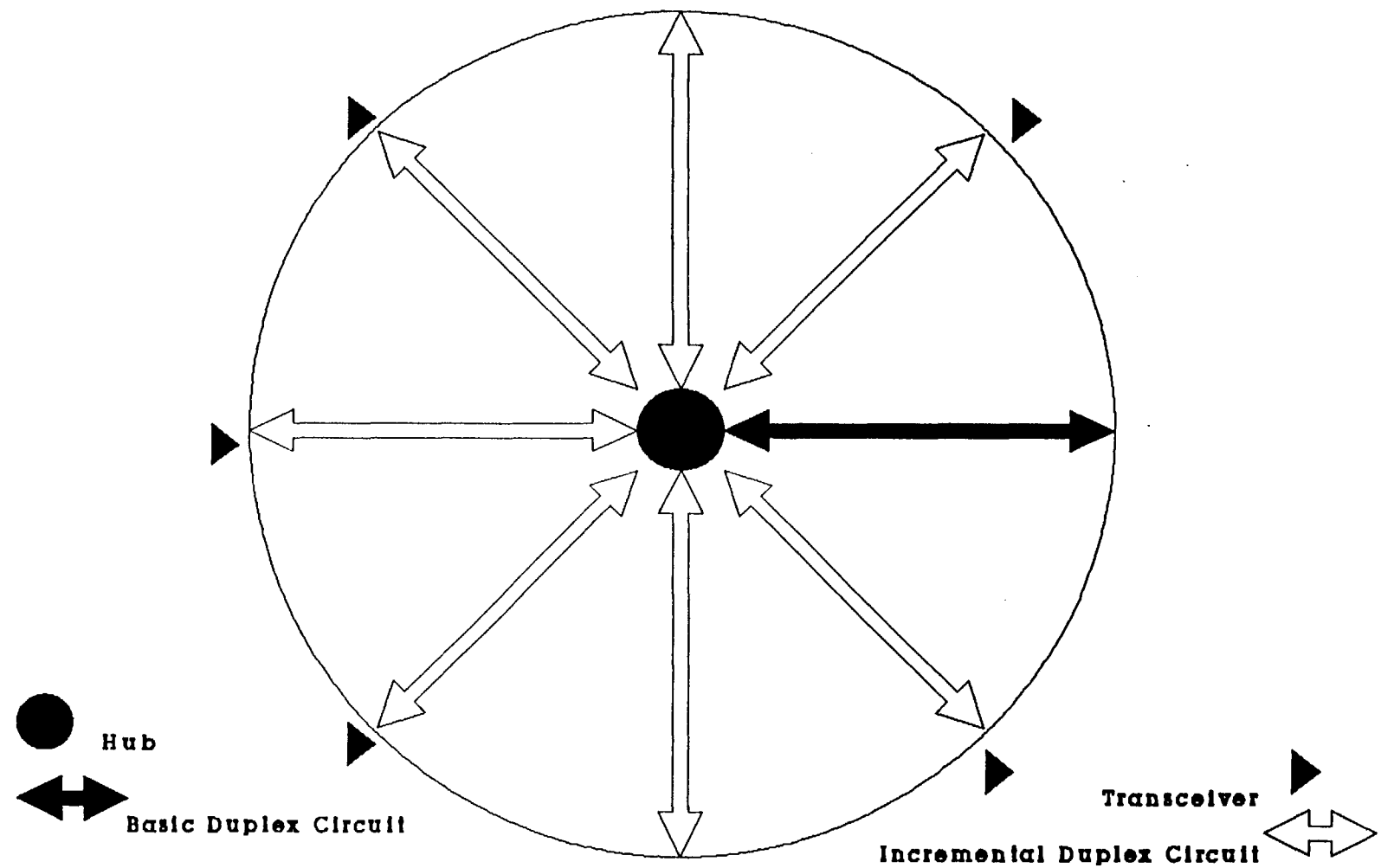
- A central hub costs approximately $250,000.
- Each duplex customer transceiver costs approximately $550.
- The investment per customer is independent of the number of customers obtained.
- The investment at customer premises is independent of the distance from the central hub.
- Equipment may be reused (no sunk costs).



Video/Phone's Marketing Concept

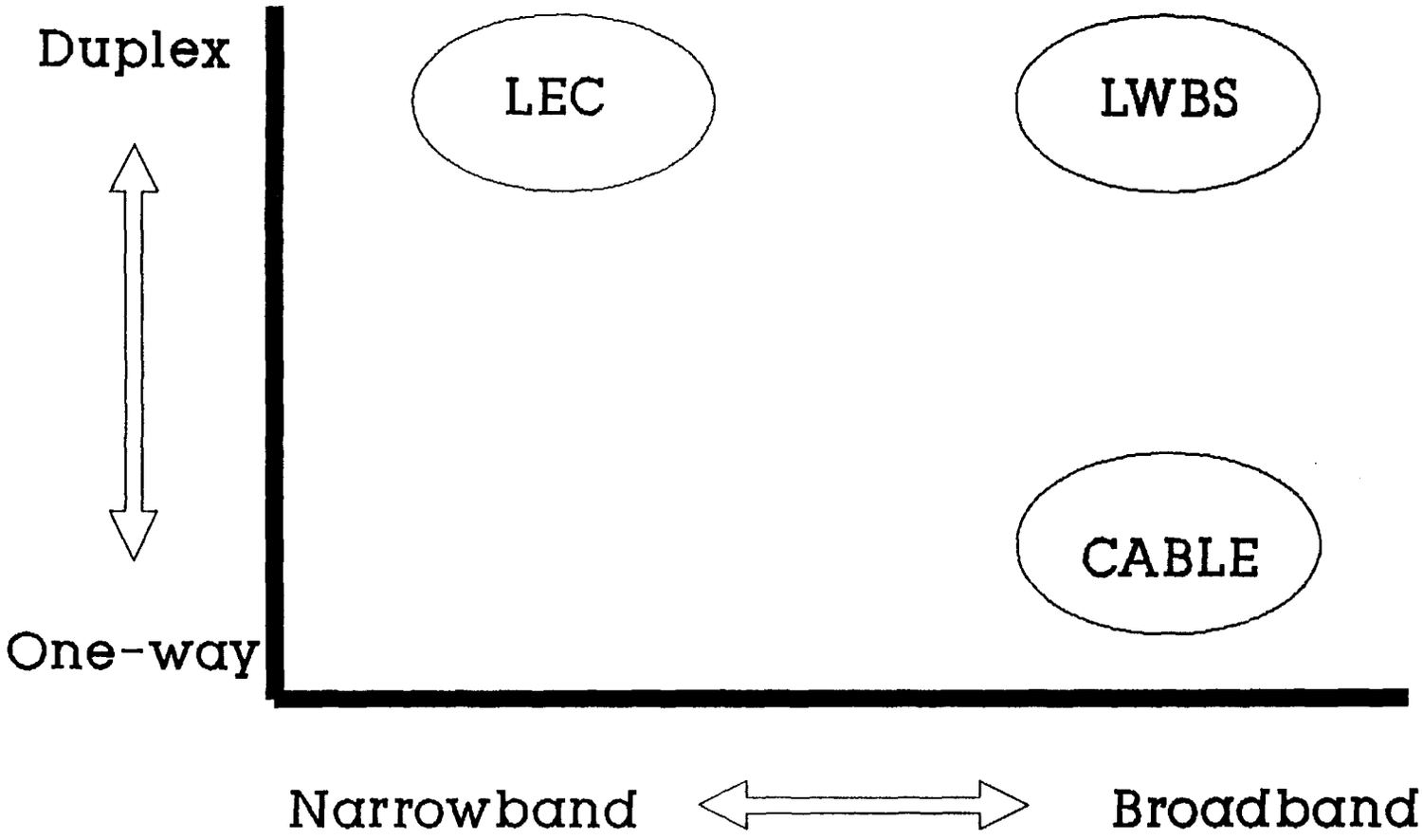
Utilize Suite 12's technology to meet demonstrated marketplace demands for innovative duplex voice, data and compressed/full video circuits which will be able to compete with and complement both cable and telco delivery.

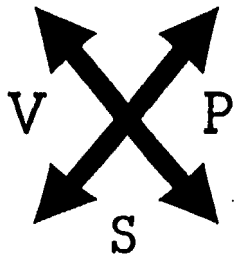
LWBS: A Multipoint Distribution Cell



1000 MHz Capacity

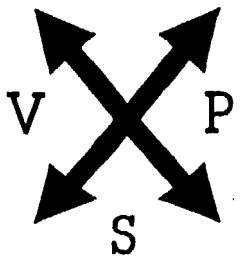
The Local Distribution Complex





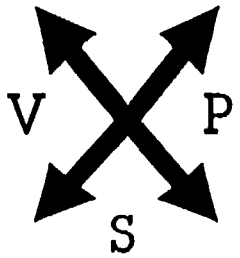
LWBS Circuits Can Be Used to Provide a Wide Variety of Services

- Full Motion TV
- Compressed Video Narrowcasting
- Videoconferencing
- Stereo Music
- Audiotex
- High/Low Speed Data
- Digital Data Transactions
- Facsimile
- Interactive Games



LWBS Can Be Used For:

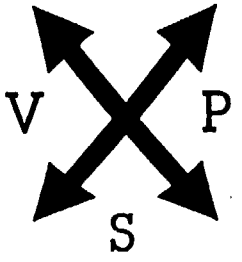
- Residential wireless cable television
- Alternative access (ALTS/CAPS)
- PCN/PCS microcell backbone
- Videoconferencing
- Vertical television



Video/Phone Market Focus

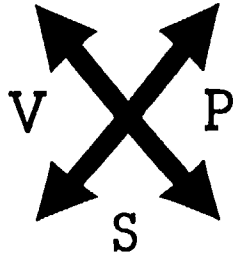
Non-Residential
Vertical Distribution Networks

- Business Virtual Private Networks
- Shared Access Subscription Networks
- Video/Data Base Publishing
- Educational Television



Business Applications Supported by LWBS

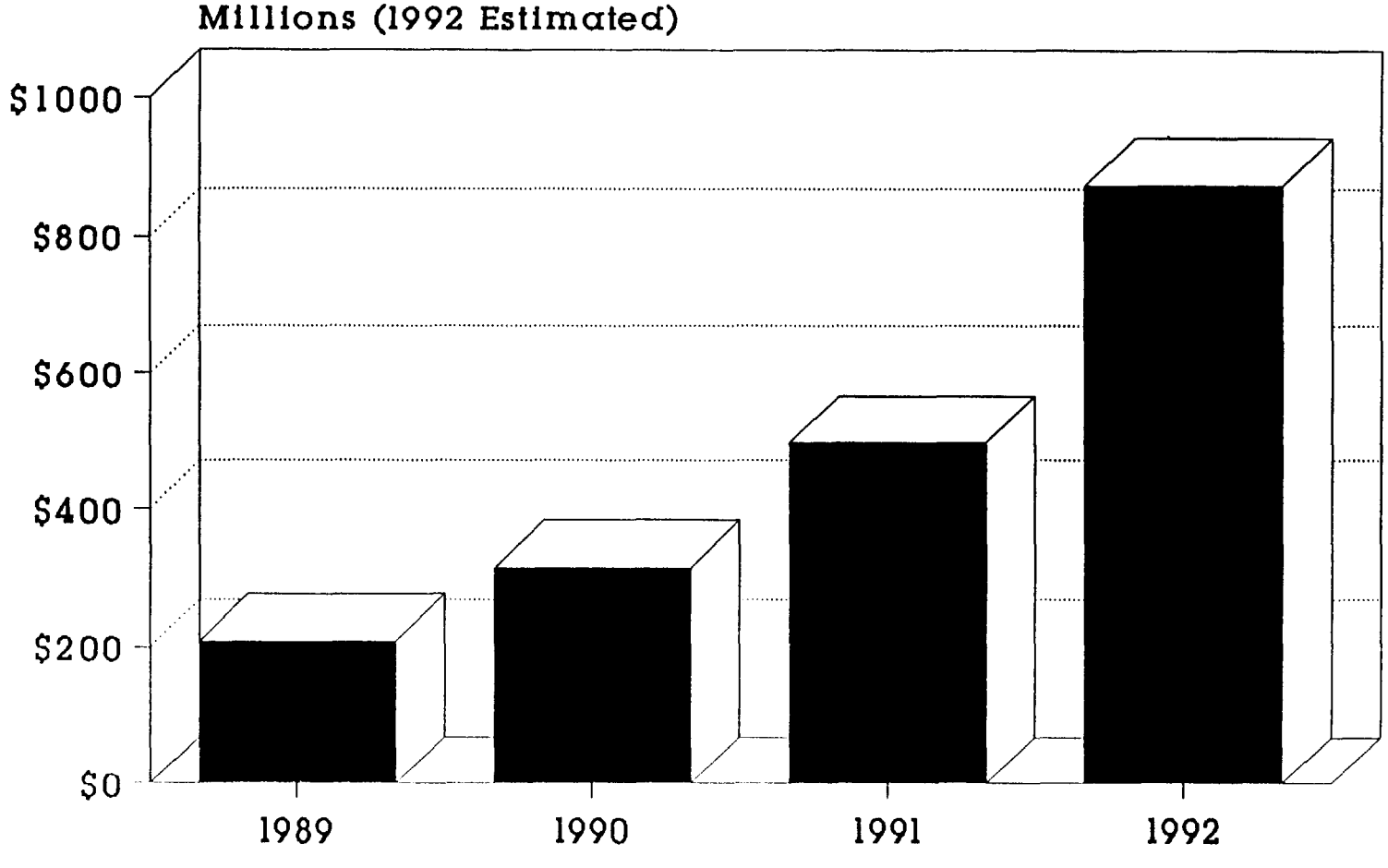
- Video communications
  - Videoconferencing
  - Business (Vertical) Television
  - Multimedia
    - Telecommuting
    - Telemedicine
    - Engineering
- Other services
  - Back-up for private lines
  - LAN interconnection
  - ALTS/CAPS



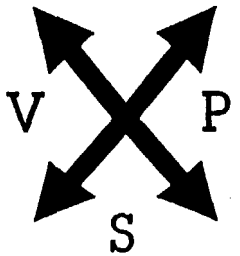
Videoconferencing

- Focus is still on long distance use.
- In part, because of problems with local distribution.
- There is an enormous potential for multipoint conferencing (local and national).

U.S. Videoconferencing
Sales of Equipment and Transport



Source: ITCA Press Release, 6/29/92

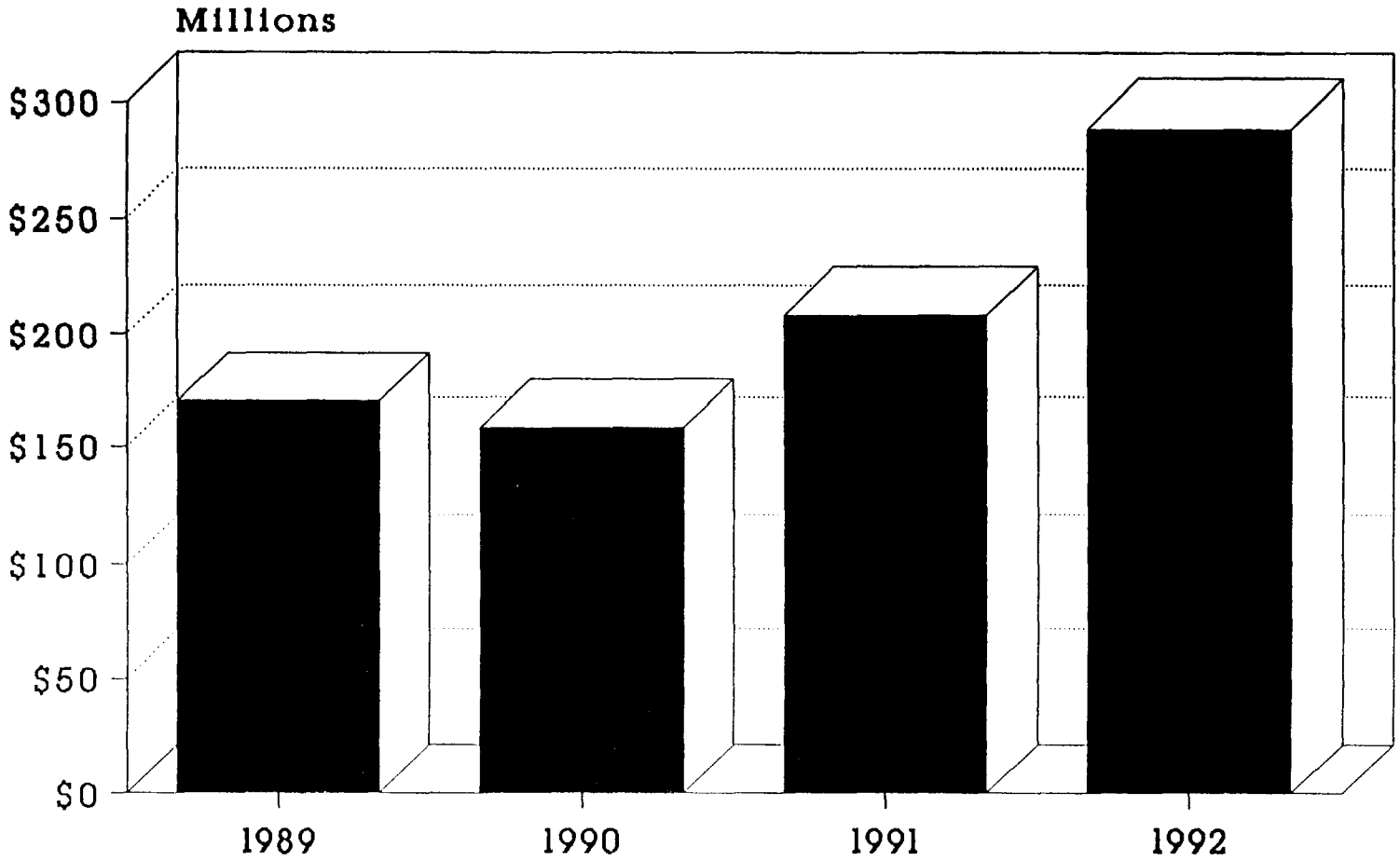


Vertical Television

Local private television markets waiting to be served:

- Law Enforcement
- Fire Services
- Education and Training
- Local Government
- Health Care
- Child Care
- Banking
- Other Financial Institutions

Vertical Television
Sales of Transport and Services



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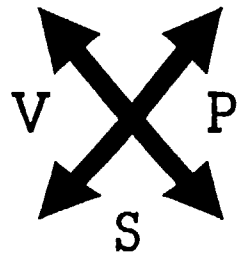


Telecommuting

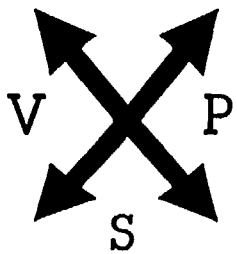
- People working from home (mainly self-employed)

  -35 million in 1990
  -up 29% from 1989

- Full-time employees mixing commuting and telecommuting (at least one day/week)

  -3.6 million in 1990
  -up 21% from 1989

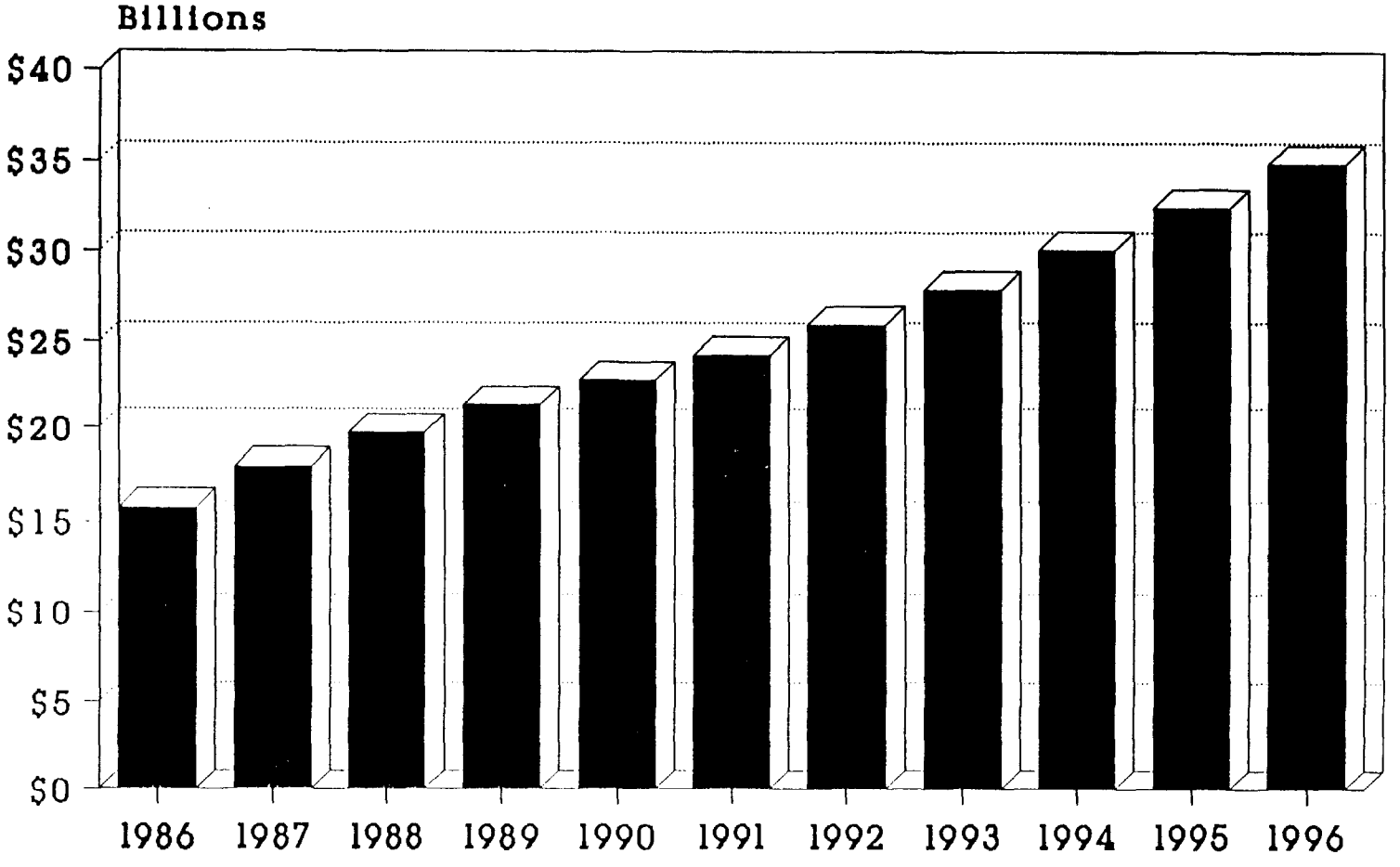
--Study cited in NTIA Infrastructure Report, 1991



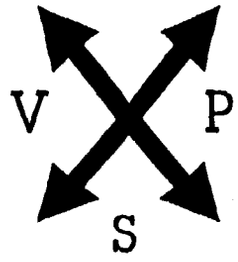
"...(G)overnment should craft telecommunications policies that allow maximum, continuing flexibility for users like health care providers....(T)he value of (telecommunications') contribution will depend primarily on the resourcefulness of health care professionals and other end users."

--NTIA Infrastructure Report, 1991

Business Information Services
Spending, 1986-1996



Source: Veronis, Suhler & Associates



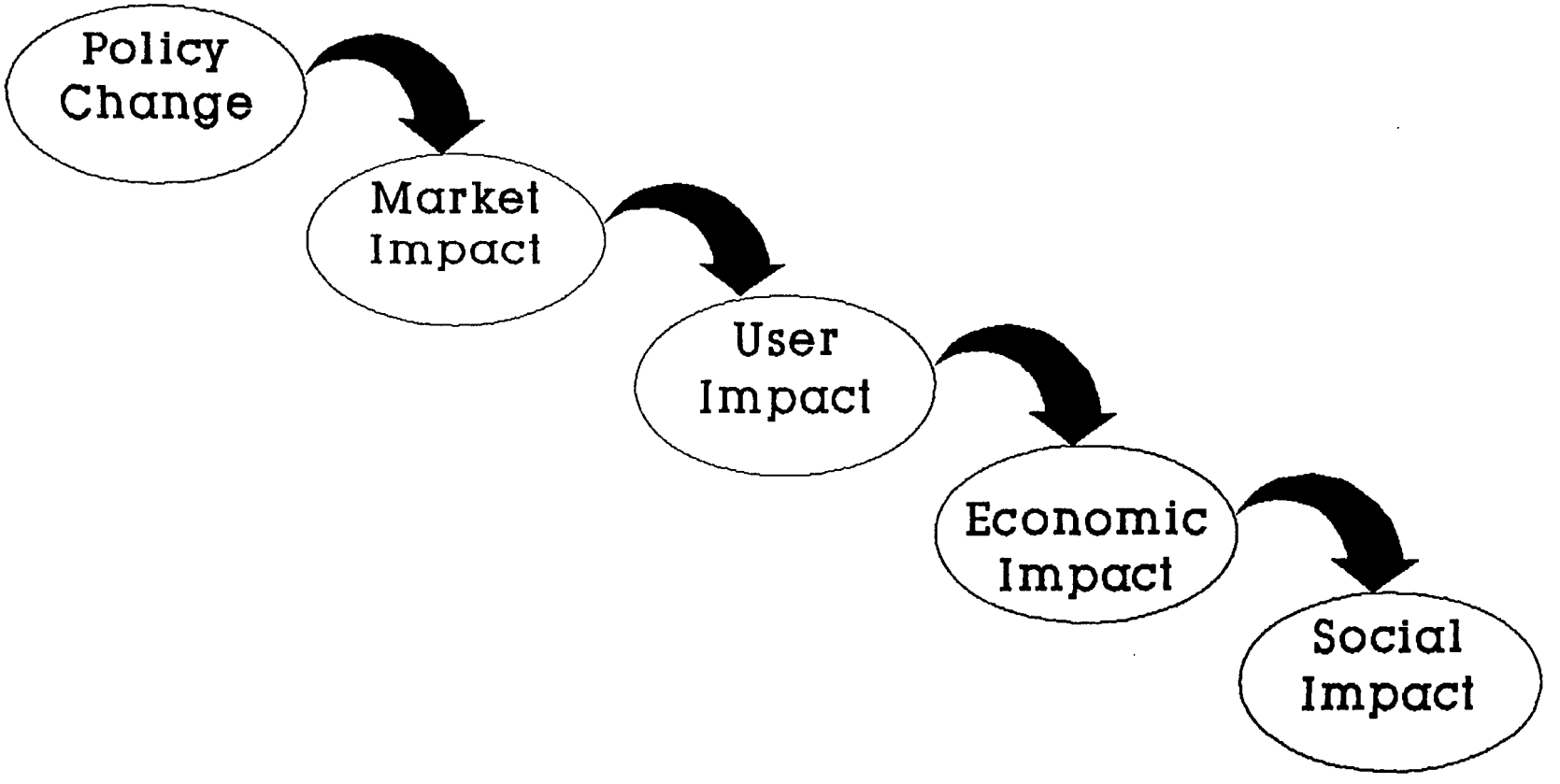
Technology

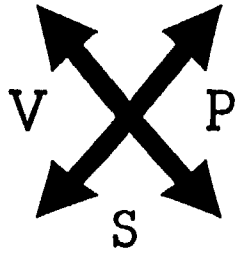
+

Market Development

will create
Hundreds of
Local
Multipoint
Broadband Distribution Networks

Impacts of Public Policy





"(L)arge users increasingly will require broadband networks for high speed data, video conferencing, high speed document transfer and new applications.... Existing, and even future ISDN, networks are insufficient to support these applications."

--Chief, Office of Plans and Policies
Federal Communications Commission